

HUMINT Evaluation in the Intelligence Community

E.O. 12036 requires that the heads of NFIP departments and agencies ensure that the DCI be provided, in a timely and responsive manner, with all information necessary to perform his program and budget responsibilities.

With respect to evaluation, such information includes that which OMB designates (in OMB Circular No. A-11, 25 May 1978) as: (a) changes in quality of output, (b) demonstrated results of past program activities, and (c) the results of benefit/cost and other pertinent evaluation and analysis.

At present, two major Intelligence Community collectors of HUMINT, CIA and DoD, are reasonably well equipped to provide the required information on reporting quality. One, CIA, can provide certifiable evidence of actual results from a substantial amount of its reporting. Neither CIA nor any other NFIP or non-NFIP collector, however, has a system that can truly evaluate the efficiency, let alone the effectiveness, of a collection program by weighing quantified HUMINT output (results/effects of reporting) against HUMINT input (costs). This situation, which reflects the inherent difficulties involved in such quantification, is now being reviewed at the interagency level, with a view to sharing experience, acquiring new methodology, and better coordinating system development.

A recent Intelligence Community seminar on HUMINT evaluation detailed past systems shortfalls, progress toward reporting evaluation that contributes indirectly to the budget process, and desirable steps toward compliance with the directives cited above on direct evaluation input to the budget process. Among the conclusions reached at the seminar

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was the statement that CTS (HUMINT Tasking Office) leadership is essential in gaining the Intelligence Community support needed for truly effective evaluation. The following description of the CIA/DDO HUMINT evaluation system, and those of State and DIA in comparison with it, brings out similarities and remaining contrasts among them.

#### Development of CIA/DDO Evaluation System

The present CIA/DDO reporting evaluation system was developed in response to changing needs. Collectors in the field, stretched thin by shrinking resources and broadening demands, had come to need increasing amounts of evaluative feedback in order to optimize their reporting efforts. Equally hard pressed, however, analyst consumers and policy/program users of the reporting had come increasingly to begrudge the time and effort spent in mechanistic, "box-checking," feedback programs. By 1975, these DDO programs had thus fallen largely into disuse, while at the same time the budget-related needs of central management for HUMINT evaluation had begun to escalate. There was a clear need for improvement and extension of the DDO's personalized, substantive contact with customers. This need has been met over the past three years with the result that the individual collector in the field, who initiates the evaluation process, is now part of a complete loop that runs through the operating management level in the DDO and includes on a regular basis the key consumers of CIA's HUMINT within the intelligence, foreign affairs, and U.S. military R&D program communities.

#### Quality Measurement at the Operating Level

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Evaluation for Central Management Purposes

The quality measurement (for operating, line-management purposes) described above constitutes only the base of the pyramid of information support required by the program-and-budget process. In the HUMINT flow system that produces foreign intelligence reports or acquires foreign materiel for intelligence purposes, the determination of efficiency requires that evaluation include comparing such output (acceptable, useful reports) to input. For central management purposes, such comparisons need to include work measurement and/or unit cost on the input side. In order to move towards true effectiveness measurement, the output side must be filled in either with actual dollar values or a meaningful equivalent ("shadow-price dollars"). Because of the subjective nature of a large portion of HUMINT collection - such as political reporting - it probably never will be possible to apply the same precise measurements that are frequently applicable to technical collection.

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with concentration on the streams of reporting that have led some-

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where, or failed to do so. A single, basic set of criteria for evaluation is used in the questioning, which begins with the identification of utility in the reporting, or lack thereof. It is pursued for the purpose of pinning down reporting results in terms of actual effect upon the production of finished intelligence, the formulation of policy or its implementation, and the conduct of expensive programs in the U.S. military R&D community.

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Better Measurement of Efficiency and Effectiveness

The essence of the zero-base approach to budgeting is identification and evaluation of alternative methods of accomplishing objectives. According to OMB (Circular No. A-115, 5 May 1978), assessments of alternatives by decision unit managers in agencies and departments should be based on the relative efficiency of each alternative in accomplishing major objectives. Evaluation efforts should provide a basis for meaningful comparisons and the identification of alternatives should at least reflect a conscientious and continuing effort by management to improve the effectiveness of the units. Clearly, HUMINT evaluation must move as far above simple quality measurement as it can toward providing evidence of output values that can be matched, where it is meaningful to do so, against input cost. At a minimum, this requires more standardization of evaluation criteria than has so far taken place among HUMINT evaluators, as well as the development of more compatibility among their data bases than now exists. Beyond that, cost-effectiveness evaluation and analysis must draw upon more careful

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#### Remarks:

-2: The attached memo was prepared by [ ] for Mr. James Bush of the staff of the House of Representatives Permanent Select Committee on Intelligence. It is one of a series of short studies or memos which the Office of HUMINT Tasking has prepared for the "general education" of Bush. You may wish to route it on to D/DCI/RM for general background.



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